

**REPORT
OF WITNESS INTERROGATION**

April 25-27, 2001

City of San Francisco

Martha Boersch, Assistant United States Attorney for the Northern District of California and acting as Commissioner appointed by the United States District Court under 28 USC § 1782, joined by Special Agent Bryan Earl of the Federal Bureau of Investigation, on these dates have interviewed as a witness Peter Nikolaevich Kiritchenko pursuant to a request for judicial assistance from Ukraine. Also present at the interview were Oleg Ukrainets, Senior Investigator of the Office of the Prosecutor General of Ukraine and Anatoly Yezhov, Senior Prosecutor of the Office of the Prosecutor General of Ukraine. Representing the witness Mr. Kiritchenko were George D. Niespolo, Esq. and Stan G. Roman, Esq. Masha Entevitch interpreted.

I have been notified of criminal liability for willful perjury as per Art. 178 of the Criminal Code of Ukraine, and also for the refusal of a witness to give testimony, as per Art. 179 of the Criminal Code of Ukraine.

The witness has told the following about himself:

Last Name, First Name and Patronymic: Kiritchenko, Petr Nikolaevich

Month, Day and Year of Birth: February 5, 1952

Place of Birth: Ukraine

Nationality: Ukrainian

Mother Tongue: Ukrainian

Education (When Graduated From What Institution): Donetsk Institute of Commerce, approximately 1976

Married Status: Married

Place of Work, Position: Businessman, United States of America.

Office Telephone: This question was not asked.

Place of Residence (Registration): United States

Home Telephone: This question was not asked.

State Awards: This question was not asked.

Military Conscription Status: This question was not asked.

Indictments: This question was not asked.

ID, Issued By, and Date: This question was not asked.

"Somelli Enterprises" make payments to the accounts of documents (contracts, invoices, accounts etc) confirming the grounds of payments to the account of "Wilnorth, Inc."?

Orphin's account contained profits from my business. My understanding was that Yulia Tymoshenko controlled Somelli. Money transferred from Orphin could have been for the benefit of Lazarenko, depending on the specific transfers, because he required me to share my profits with him. Transfers from Somelli were payments that were made entirely to the benefit of Lazarenko. Orphin and Wilnorth had no contractual relations with Somelli.

54. What were the grounds of transfers of the abovementioned funds to accounts of "CARPO-53" and "NIHPRO 21678" from accounts of the companies "GHP Corporation" and "Wilnorth, Inc." in Swiss banks?

The monies transferred to CARPO-53 and NIHPRO were for the benefit of Lazarenko and were transfers of funds from third parties or possibly a portion of my profits that I had to pay to Lazarenko.

60. What real estate in Ukraine do the companies "GHP Corporation" and "Wilnorth, Inc." possess? When and how did they get the right of ownership for this property and how did they manage it?

GHP is controlled by Lazarenko. I believe it owns a house in Kiev on Reiterskaya Street. I think it also owns Kiev Vedomosti, a newspaper. I think the newspaper was purchased with a transfer from a Credit Suisse account of \$1.1 million.

Wilnorth owns Agropostachzbut.

79. What are the economical grounds of the payments to the personal account of Lazarenko P.I. "CARPO-53":

- 4 540 975 US Dollars from the company "ABS Enterprises, Inc.";
- 47 275 000 US Dollars from the company "Bainfield Co LTD";
- 42 001 000 US Dollars from the company "GHP Corporation";
- 3 000 000 US Dollars from the company "ORPHIN S.A.";
- 14 100 000 US Dollars from the company "Wilnorth, Inc."?

Most of the payments from ABS Enterprises, Inc. to CARPO-53 were payments from third parties for the benefit of Lazarenko. A small portion of the funds were fifty percent of my profits that I had to pay to Lazarenko.

Transfers to ABS Enterprises, Inc. included some from third parties for the benefit of Lazarenko, but were mostly for business purposes (e.g., perhaps from Clarendon Primary Industries, Elsner, Ronly Holdings, etc.) The funds received for the benefit of Lazarenko were subsequently transferred to Switzerland.

Bainfield Co. LTD: Most of these funds are payments by third parties for the benefit of Lazarenko. A small portion of the funds were fifty percent of my profits that I had to pay to

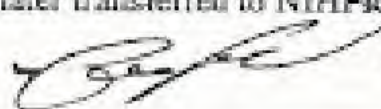
- 2 210 000 US Dollars from the company "ABS Enterprises, Inc.";
- 60 501 000 US Dollars from the company "GHP Corporation";
- 58 932 000 US Dollars from the company "ORPHIN S.A."?

Mostly payments from third parties for Lazarenko. A small part may have been my profits that I had to share with Lazarenko.

131. What were the economical grounds of the income of 6 014 000 US Dollars to "ORPHIN S.A." account in Geneva bank "Banque Populaire Suisse" on 25.11.94 from the company "Van der Ploeg"? How were these funds further made use of?

This was money from Agafonov to Lazarenko. It was later transferred to NIHPRO.

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132. What were the economical grounds of payments to the accounts of ORPHIN S.A." in Warsaw and Geneva banks in 1995 of funds from the company "Somolli Enterprises Limited" from the Cyprian bank "Bank of Cyprus"? How did you make use of these funds?

I understood that this was money from Yulia Tymoshenko to Lazarenko.

I understood that payments to Lazarenko came from Somolli, Betten, Ferco Metal, Litat, and some company in the Middle East. The funds were ultimately transferred to Lazarenko accounts (e.g., NIHPRO and CARPO).

134. Did the company "Somolli Enterprises Limited" have any contractual relations with the company "ORPHIN S.A." or with other companies, owned by you or Lazarenko P.L.? If it did, then what was the reason for these relations, what was the subject of contracts and what payments were made under these contracts?

None.

147. When, where and under what circumstances and for for what purpose did you make acquaintance with inhabitants of Donetsk Kushnir Yevgen Borisovich, Ryabin Anatoliy Arkadiyevych and the citizen of Russia Aliev Magomed Umarovich under the nickname "Maga"? Who was the initiator of your acquaintance? What relations did you have with the abovementioned persons?

Kushnir: In approximately 1995, Lazarenko had told me that he wanted to meet with Milchenko, a criminal authoritet, because there had been death threats against Yulia Tymoshenko. I met with Milchenko. He told me there was danger to Tymoshenko. Lazarenko then met with Milchenko. After that, Lazarenko told me to pay Milchenko \$3,000,000. \$2.2 million was paid in installments to Milchenko's and his wife's accounts in Eurofed, from Lazarenko's and

invested (although I don't know in what business) and we lost 2100,000.

After Milchenko died in 1997, his wife called me in San Francisco and told me that some serious people were after me because I had allegedly cheated Kotlyarevsky. Lazarenko and I met her in Budapest and she told us she would arrange a meeting with Kushnir. In December of 1997, Lazarenko and I met with Kushnir and someone who accompanied him (Adamovich?) in Baden Baden. Lazarenko met privately for approximately five hours with Kushnir in the spa there. After that, Lazarenko told me to pay approximately \$800,000 (the amount which had not been paid to Milchenko) to wherever Kushnir instructed. I was later instructed to and did transfer that money to Generale Commerce Paris Bank in Paris.

Ryabin: I do not know.

Maga: I am not sure, but I think I may have met him with Milchenko.

150. Did Aliiev, Kushnir, Ryabin and Milchenko asked you to assist through Lazarenko P.I. the privatization of Tsarychanskiy Mineral Water Plant, the appointment of their representative for the position of the head of Azov Steamship Line and the acquisition under the state order of coal from the company "Rovenky-Antratsit" Lugansk Region and giving the same company the technical credit for the acquisition of mine-equipment? What requests of them were fulfilled and when?

Milchenko would meet directly with Lazarenko whenever he needed to. The Tsarychanskiy water plant was privatized under Agropostachzbut with that company's funds. Milchenko's wife, Snitko was made a shareholder. I heard about this transaction, but was not personally involved. I do not recall anything about the Azov steam ship line or the coal from Rovenky-Antransit, or the acquisition of mining equipment.

153. For what purpose, for what services on 15.01.1998 350 000 US Dollars were accepted in the name of Itin Olexander to the correspondent account #1752902 of the bank "EUROFED LTD" (Antigua) in the bank "Commercial Bank of SAN FRANCISCO" (San-Francisco), which came from the bank "GENERALE COMMERCE PARIS BANK" (Paris)? Did Itin Olexander have personal or correspondent, or controlled by him account in the bank "EUROFED LTD" (Antigua and Barbuda)?

These payments were made as directed by Kushnir, totalling approximately \$850,000.00. He gave me the wire transfer instructions.

154. For what purpose and for what services on 16.01.1998 and 22.01.1998 in the name of Itin Olexander payments were made 500 027,06 and 500 027,23 US Dollars respectively from the correspondent account #5491 of the bank "EUROFED LTD" in the bank "SCS ALLIANCE S.A." (Geneva) to the bank "GENERALE COMMERCE PARIS BANK" (Paris) to the account #3053298002 T?

See above.

155. For what purpose and for what services did you transfer from the account of the company "ORPHIN S.A." in the bank "Eurofed LTD" (Antigua and Barbuda) to the account of Milchenko O.F. #120512 in the same bank on May 20 and September 10 of the year 1997, respectively 500 000 and 797 000 US Dollars, and totally 1 479 000 US Dollars? How could Milchenko O.F. make use of these funds?

See above.

156. For what purpose and for what services did you transfer 850 000 US Dollars on 26.02.1998 from the account of "ORPHIN S.A." in the bank "Eurofed LTD" (Antigua and Barbuda) to the personal account #124154 of Milchenko's wife - Snitko N.O.? How could Snitko N.O. make use of these funds?

See above.
